



**Public Hearing
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 46
AGENDA DATE: Thu 09/01/2005
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SUBJECT: Set a public hearing concerning the adoption of an ordinance amending Sections 25-9-33 (d), 25-4-195, and 30-2-195 of the Austin City Code related to requirements to obtain a water and wastewater service extension request. (Suggested date and time: September 29, 2005 at 6:00 p.m., City Hall Council Chambers, 301 West Second Street)

AMOUNT & SOURCE OF FUNDING: N/A

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Austin Water Utility **DIRECTOR'S**
DEPARTMENT: **AUTHORIZATION:** Chris Lippe

FOR MORE INFORMATION CONTACT: Bart Jennings, 972-0118; Laura Wiley, 972-0104

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

A certificate of convenience and necessity ("CCN") is a state permit that allows a utility, under most circumstances, to solely provide water or wastewater service within a specified geographical area. The City sought water and wastewater CCNs for those portions of the Desired Development Zone that were not already certificated to another utility provider in August 2001. The Texas Commission on Environmental Quality ("TCEQ") granted the City its water and wastewater CCNs on November 16, 2004 and, after reviewing a protest by another utility, reaffirmed its decision on February 23, 2005.

In consideration of the CCN, the utility provider is required to make available water and wastewater service in accordance with its tariff and any requirements precedent to the provision of service must be reasonable and related to the provision of that service. Sections 25-9-33 (d), 24-4-195, and 30-2-195 of the Austin City Code currently require a request for annexation as part of the application for approval of a service extension request for water or wastewater service. This current requirement was initially placed in the Austin City Code in 1967 as a means to link the provision of municipal utility service with land development controls and potential tax base.

The Austin Water Utility is requesting the modification of the requirement of completing a request for annexation form as a part of the service extension request application. This modification does not impair or prohibit the City's ability to annex. The City still retains its rights and authority to annex. This modification does not modify the requirements regarding Austin City Council approvals for certain service extension requests. The Austin City Code requires all service extensions within the Drinking Water Protection Zone outside the corporate limits and all service extensions with cost reimbursement or cost participation by the City to be approved by the Austin City Council.